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DEVELOPMENT (1943 ..) Department.

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Dated 18th April 1944.

[Despatch Abstract.]

BURMA LEGISLATIVE COUNCIL QUESTION NO.220 - Iron & Steel - Information regarding allotment of Iron & Steel for civilian consumption Papers recorded.

ALLOTMENT OF IRON AND STEEL FOR CIVILIAN CONSUMPTION.

*147 Q. - Sri R.SURYANARAYANA RAO: Will the Hon. the Minister for Industries be pleased to state

(a) what the allotments of iron and steel have been for civilian consumption during 1945-46 and 1946-47;

(b) who the issuing authorities are in the city and the mufassal;

(c) what the arrangements made for the equitable distribution of iron and steel are;

(d) what is the number of applications received, quantities involved and the number of applications together with the total quantity favourably considered;

(e) whether any directions have been issued either defining "essentiality" or the order of priorities and if so what the definition is or the order of priority is;

(f) whether the building trade has been given a high priority;

(g) whether ~~the~~ any advisory body is associated with the sanctioning authorities to determine priorities;

(h) whether the Government have at any time suo motu issued orders sanctioning iron and steel in some cases, and if so, whether a list of such cases together with the quantity involved can be given;

(i) what is the staff employed in the city and the mufassal to examine and grant applications for iron and steel; and

(j) whether a comprehensive statement on all matters connected with the supply and distribution of iron and steel can be given?

THE HON. SRI H. SITARAMA REDDI:- "(a) The allotment of iron and steel for civilian consumption for 1945 and 1946 were 20,625 tons and 62,600 tons respectively. The Government of India have allotted a quantity of 31,000 tons for the year 1947 for consumption by the general public including small scale manufacturers of consumer goods and the normal maintenance requirements of buildings and roads of the Public Works Department of the Government, Local Boards and Municipalities.

"(b) The Director of Industries and Commerce is the authority to issue permits for the whole Province in respect of the quantity allotted to this Province under 'Provincial and State allotments' and the Iron and Steel Controller is the authority in regard to iron and steel under other heads, viz., 'Industrial Maintenance and Packing; Steel Processing Industries, Government Development Schemes, Industrial Development Schemes and Export'.

4th December 1947.

"(c) The Director of Industries and Commerce issues permits on satisfying himself about the reasonableness and essentiality of the demands. A press communique was issued in this regard by the Director on 5th October 1947.

"(d) Information has been called for and will be placed on the table of the House.

'(e) Government have directed that allotments should be restricted in a quarter to one ton in the case of small fabricators of consumer goods, two tons in the case of private buildings and 5 tons in the case of public utility buildings and small scale industrial establishments with preference to maintenance requirements over new construction in the following order:-

(a) Public Utility buildings.

(b) Small scale industrial establishments.

(c) Private buildings.

"(f) Yes, Sir.

"(g) No, Sir.

"(h) No, Sir. In the case of applications addressed to the Government or the Hon'ble the Ministers, the Government have generally suggested to the Director of Industries and Commerce that applicants may be assisted to the extent possible.

"(i) The staff employed at present in the City are--
One Steel Officer on Rs.300-700 per mensem (Gazetted).
One Steel Assistant on Rs.200-300 per mensem.
Two Senior Superintendents on Rs.190-240 per mensem.
Two Junior Superintendents on Rs.140-170 per mensem.
Twelve Upper Division Clerks on Rs.80-125 per mensem
Twenty Lower Division Clerks on Rs.45-90 per mensem.
Two typists on Rs.45-90 per mensem.
One attender on Rs.24-30 per mensem.
Nine peons on Rs.16-25 per mensem.
No special staff is employed in the mufassal.

"(j) With the reintroduction of Iron and Steel (Control of Production and Distribution) Order, 1941, with effect from 1st September, 1946, the Government of India introduced a revised scheme of distribution according to which the available steel is divided into the following two quotas:-

(1) Railway quota;

(2) Iron and Steel Controller's quota.

The railway quota is operated by the Railway Board and the Provincial Government have no control over it.

The Iron and Steel Controller's quota has been divided into the following specific allotments:-

(i) Industrial Maintenance and packing;
(ii) Steel Processing Industries;
(iii) Government Development Schemes;
(iv) Industrial Development;
(v) Export; and
(vi) Provincial and Statement Allotments.

Items (i) to (v) above are operated upon directly by the Iron and Steel Controller on the advice of the Industrial Associations or Government Authorities concerned. The quota under the "Provincial and Statement allotments" is intended to meet the requirements of the general public including persons manufacturing consumers goods, etc., on a small scale, the normal maintenance requirements of buildings and roads of Public Works Department of the

Local Board and Municipalities and there for repairs to Government, nightsoil carts, dustbins, etc. The procedure envisaged by the Government of India for the distribution of this quota is as follows:

(1) The Iron and Steel Controller will inform the Provincial or State Authority of the amount of steel allotted to him;

(2) the Provincial or State Authority will inform the Iron and Steel Controller of the quantity of steel allotted each registered stockholder in the Province or State concerned;

(3) the Iron and Steel Controller will then direct each stockholder to place his indent on a specific producer, controlled stockholder or transit depot;

(4) when the steel arrives in the stockholder's yard, he will immediately inform the Provincial or State authority of the arrival.

The Government of India have allotted the following quantities of steel under various heads for 1947:--

	Tons.
(i) Railway quota ..	500,000
(ii) Iron and Steel Controller's quota--	
(a) Industrial Maintenance and packing	150,000
(b) Steel Processing Industries ..	220,000
(c) Government Development Schemes	80,000
(d) Industrial Development ..	50,000
(e) Export	10,000
(f) Provincial and State allotment ..	250,000
Total ..	1,050,000

Under the 'Provincial and Statement allotments' the Government of India have allotted a quantity of 31,000 tons of iron and steel for 1947 for the Madras Province. With concurrence of this Government, the Iron and Steel Controller, Calcutta, has authorized the Director of Industries and Commerce to issue permits for iron and steel on registered stockholders and the Director has been issuing permits after examining the essentiality of the demands. The Government have since reorganized the distribution of iron and steel. They have ordered that 50 per cent of supplies for every quarter of the Provincial quota of steel allotted to this Province shall be set apart for agricultural purposes. The remaining 50 per cent of the Provincial quota of steel will be utilized for the normal maintenance requirements of building and roads of the Public Works Department of the Government, Local Boards and Municipalities, repairs to dustbins, etc., and for the general public including small manufacturers of consumer goods. The quantity of steel required for the general public will be allocated to the districts according to the population and internal requirements. Of the quantity of steel for the general public, 20 per cent of the district quota will be earmarked for small scale fabricators of consumer goods to be divided among them in the proportion in which their quotas were originally fixed.

SRI R. SURYANARAYANA RAO:- "This answer was to have been given long ago. The answer is a very long one and a very important one. If the control of iron and steel distribution is to continue many of the points raised there require more clarification. May I suggest that for putting supplementary questions it may be taken up to-morrow? I wish, Sir, that copies of the answers had been circulated to us earlier so that we might have come prepared".

MR. PRESIDENT:-- "Was it not the same question.

SRI R. SURYANARAYANA RAO:-- "It was not placed on t... table of the House. The answer is furnished to us just now, becaur the Hon'l Minister wanted time. (f)

THE HON. SRI H. SITARAMA REDDI:-- "I think the same question came up before the House and it was answered previously, It is only the details as to the method of distribution which my hon. Friend has been asking for have been furnished. In this connection, I would like to make a suggestion, Sir, that when hon. Members give notice of such long questions it would be desirable if they unstar the questions. I would submit this for your consideration. If any hon. Member feels that after the unstarred question has been answered that he should have further points elucidated they can come forward with starred questions. As it is it becomes very difficult. So far as this particular question is concerned I believe this has already been answered once in some form or other and if my friends want any particular points urgency to be elucidated it could certainly be done by means of a short notice question. But there is no such im...nce of urgency in this matter."

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "Are we to understand that we won't ask supplementary questions on this to-morrow, Sir?"

MR. PRESIDENT:- "Nobody has asked for it; Mr. (Suryanarayana Rao who raised the question is not at and I do not think we require any more time."

SRI R. SURYANARAYANA RAO:- "Other Members may want time, Sir."

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "It may be taken up to-morrow."

MR. PRESIDENT:- "Yes"

SRI R. SURYANARAYANA RAO:- "I do not think that the Hon. Minister has heard it, Sir, that it would be taken up to-morrow

THE HON. SRI H. SITARAMA REDDI:- "Yes, Sir, I have heard it."

(SUPPLEMENTARY QUESTIONS ON *147 Q. ANSWERED ON 4TH DECEMBER 1947)

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "May I know, Sir, what is the total allotment from 1946 up to date, who are the allottees and what quotas had been given to them?"

The Hon. Sri H. SITARAMA REDDI:- "Notice, Sir.

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "May I know how many persons have been allotted quotas of steel for construction; have they constructed any buildings; if not, have the quotas been returned back to the Government or the quotas were sold?"

The Hon. Sri H. SITARAMA REDDI:- "I would suggest to the Hon. Member to put a separate question and I will furnish the answer, because it is not possible to answer such a supplementary question without the paper being with me. Moreover, these are details which cannot be furnished off-hand".

SRI R. SURYANARAYANA RAO:- "Is it a fact that after a permit is granted, the Government do not care to know whether the permit-holder has secured the iron and steel allotted to him and whether the Government is to be informed whether the stock list in the office of the Director of Industries tallies with the actual quantity of iron and steel in the market?"

THE HON. SRI H. SITARAMA REDDI:- "Recently there have not been such complaints".

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "May I know whether after the quota is allotted, the Government set up a machinery or propose to set up a machinery to enquire whether the quota has been given to the allottee and whether he has utilized the quota or not?"

The HON. SRI H. SITARAMA REDDI:- "Sir, the allotment is made on a stock-holder. The Director of Industries and Commerce has got a list of articles which are with the various dealers and allotments are made to the various firms to supply them to ~~the various firms to supply them~~ to the applicants. Generally there has not been much of difficulty, but so far as the other question of following it up is concerned, whether the allotted quota has been utilized, as I have already stated some time back, it will mean a lot of difficulty, for instance, the employment of a large number of staff and an enquiry into the matter. Generally, when applications are received, they are considered from all points of view and it is expected that people who take iron and steel use them for the purposes for which they are intended."

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "If they do not use it what is it that the Government are going to do with them?"

THE HON. SRI H. SITARAMA REDDI:- "If the Government gets information that there has been an abuse of the permit granted there is permission to prosecute the people concerned."

SRI R. SURYANARAYANA RAO:- "Is the Hon. Minister aware that supplies are only made by wagon loads, so that people who do not require a wagon load get it and people who generally need do not get it?"

The HON. SRI H. SITARAMA REDDI:- "I would like to have notice of the question."

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "Large quantities of iron and steel are still going into the blackmarket. Have the Government made sufficient inspection of the godowns?"

The HON. SRI H. SITARAMA REDDI:- The Hon. Member seems to have more information than what I can furnish him, Sir.

SRI R. SURYANARAYANA RAO:- "Sir, if allotments are made according to the needs of the locality why should a man in Madras be asked to secure his requirements from Trichinopoly or Kumbakonam, Sir?"

THE HON. SRI H. SITARAMA REDDI:- "Sir, the difficulty has been the registered stock-holders are many in Madras and a few have been distributed all over the Province. Naturally sometimes the type of material asked for by a particular applicant may not be available at the place nearest to him. In such cases we have to give permits on holders of stocks near to him. It is done only for the convenience of the applicants and due to the scarcity of the materials."

ABDUL LATIF FAROOKHI SAHIB Bahadur:- "Is the Government aware, Sir, that applications are made in the name of differe persons though it is for one building and quotas are allotted to them?"

THE HON. SRI H. SITARAMA REDDI:- "When applications are made for iron and steel for building purposes they are expected to specify the building, the survey number and the place where the building is to be constructed and if it is in a town necessary plans and estimates have to be submitted and we take care to see that no such misrepresentations are made. I do not think that any such thing is possible with all the provisions we have made".

*Sri R. SURYANARAYANA RAO:- "In reply to the question the Hon. Minister said all applications that are made directly to Government are forwarded to the Director of Industries and Commerce. Why should not the applicants be asked to apply direct to the Controller instead of Government forwarding the applications to him?"

THE HON. SRI H. SITARAMA REDDI:- "The Government will welcome the applicants directly approaching the Director of Industries. There are a number of people who apply to us in spite of our instructions and the only course left to us is to forward such applications to the concerned party".

SRI R. SURYANARAYANA RAO:- "Are not the Government aware, Sir, that a communication from the Government carries a greater value with the distributing authority so naturally people come to the Government directly?"

THE HON. SRI H. SITARAMA REDDI:- "The Officers have instructions that they should show no special favour because the application comes from a particular quarter."

ABDULT LATIF FAROOKHI SAHIB Bahadur:- "Is the Government aware, Sir, that large quantities of iron and steel were allotted to and were sent outside the city by T.V.Sundaram Ayyangar & Sons, in their lorries?"

The Hon. Sri H. Sitarama Reddi:- "I shall enquire about the matter, Sir."

SRI N. VENKATACHALAMAJI:- "Is it necessary to submit a petition for getting iron and steel?"

The Hon. Sri H. SITARAMA REDDI:- "Sir, permits are granted on a petition only".

GOVERNMENT OF MADRAS.
Abstract.

MADRAS LEGISLATIVE COUNCIL QUESTION NO.220 - Iron & Steel - Information regarding allotment of Iron & Steel for civilian consumption - Papers recorded.

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DEVELOPMENT DEPARTMENT.

G.O.Ms.No.1879 Dated 15th April 1948.

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Secretary to Government.

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